(c) No such proposal is under consideration at present in the Ministry of Corporate Affairs.

Investor Education and Protection Fund

1848. SHRI NAND KUMAR SAI: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the cases of misleading the investors, while raising money by the promoters of companies, have increased over a period of time;

(b) if so, the details thereof and Government's reaction thereto;

(c) the number of complaints/cases reported to Government during 2008-09 and 2009-10, so far;

(d) the details of the companies against whom Government has taken action;

(e) whether Government has set up an Investor Education and Protection Fund in the country; and

(f) if so, the details thereof along with the objectives for setting up of such fund?

THE MINISTER OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHID): (a) to (d) Based on information provided by Securities and Exchange Board of India (SEBI) there have been 3 public issues of Debt Securities under the SEBI (Issue and Listing of Debt Securities) Regulations 2008 in the period 2008-09 (one) and 2009-10 (two) till date. No complaints of misleading investors have been received in connection with these issues. The details of public/rights issues where complaints were received alleging misleading disclosures in the draft offer document in respect of issues and the action taken by SEBI during 2008-09 and 2009-10 is given in the Statement (*See* below).

(e) Yes, Sir.

(f) Investor Education and Protection Fund (IEPF) has been set-up under Section 205C of the Companies Act, 1956 by way of the Companies (Amendment) Act, 1999. As per the Act, the following amounts, which have remained unclaimed and unpaid for a period of seven years from the date they became due for payment, shall be credited to the IEPF:

a. Unpaid dividend accounts of the companies;

b. The application moneys received and due for refund;

c. Matured deposits;

d. Matured debentures;

e. The interest accrued in the amounts referred to (a) to (d) above;

f. Grants and donations by the Central Government State Government, companies or any other institutions;

g. The interest or other income received out of the investments made from the Fund.

The objectives of the Fund are:

(i) Educating investors about market operations;

(ii) Equipping investors to analyze information to take informed decisions;

(iii) Making investors aware about market volatilities;

(iv) Empowering the investors by making them aware of their rights and responsibilities under various laws;

(v) Continuously disseminating information about unscrupulous elements and unfair practices in securities market;

(vi) Broadening the investors' base by encouraging new investors to participate in securities market; and

(vii) Promoting research and investor surveys to create a knowledge base to facilitate informed policy decisions.

Statement

Details of complaints received by SEBI during 2008-09 and 2009-10 while raising money through public/rights issues:

Sl. No.	Name of Issue	Pre-issue/ post issue	Action taken/status
1	2	3	4
		2008-09	
1.	Gokul Refoil and Solvent Limited	Pre-issue	Merchant banker advised to reply to the complainant and advised to make disclosures in the offer document. Merchant banker replied to the complainant.
2.	Chemcel Biotech Limited	Pre-issue	As above
3.	Edserve Softsystems Limited	Pre-issue	As above
4.	First Winner Industries Ltd.	Pre-issue	As above
		Post-issue	Merchant banker advised to reply to the complainant. Merchant banker replied to the complainant.
5.	Niraj Cement Structurals Ltd.	Pre-issue	Merchant banker advised to reply to the complainant and advised to make disclosures in the offer document. Merchant banker replied to the complainant.

1	2	3	4
6.	Austral Coke and Projects Ltd.	Post-issue	Merchant banker advised to reply to the complainant and advised to make disclosures in the offer document. Merchant banker replied to the complainant. Complaint also taken up for investigation.
7.	Gini and Jony Ltd. (Issue not opened)	Pre-issue	Merchant banker advised to reply to the complainant and advised to make disclosures in the offer document. Merchant banker replied to the complainant.
		2009-2010	
1.	DEN Networks Ltd.	Pre-issue	Merchant banker advised to reply to the complainant and advised to make disclosures in the offer document. Merchant banker replied to the complainant.
2.	Indiabulls Power Ltd.	Pre-issue	As above
3.	NHPC Limited	Pre-issue	As above
4.	Pipavav Shipyard Limited	Pre-issue	As above
5.	Cox and Kings(I) Ltd.	Pre-issue	As above
6.	Euro Multivision Ltd.	Pre-issue	As above
7.	Jindal Cotex Ltd.	Pre-issue	As above.

Expert group for winding-up of sick companies

1849. SHRI GIREESH KUMAR SANGHI: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether Government has set up an expert group to suggest ways to speed up liquidation of sick companies by resolving procedural and legal complexities involved;

(b) whether winding up of a sick entity involves multiple regulations;

(c) if so, whether a group which comprises the members of Institute of Chartered Accountants of India is expected to suggest streamlining of court procedures and reducing the time-frame for winding up of sick company to 2 to 3 years; and

(d) if so, what are other major points the expert group would undergo and by when it is likely to submit its recommendations?